

THE STATE OF TEXAS §
COUNTY OF HARRIS §

C 55027
08-0486

THIS FIRST AMENDMENT TO THE CONTRACT FOR LIBRARY COLLECTION AND RECOVERY SERVICES (the "First Amendment") is made on the Countersignature Date between the **CITY OF HOUSTON, TEXAS** (the "City"), a municipal corporation and **UNIQUE MANAGEMENT SERVICES, INC.** ("Contractor"), an Indiana corporation doing business in Texas.

BACKGROUND:

By Ordinance No. 2003-0510, passed and adopted by City Council in May 2003, the City entered into a contract ("Original Contract") (#C55027) with Contractor for providing library collection and recovery services to the Houston Public Library System.

The City published a Request For Proposal (RFP#S37-T22667) in November 2007 requesting proposals from vendors to handle overdue notices that are sent to Library Patrons with overdue accounts in order to recover books and materials which have not been returned to the libraries.

Contractor was determined to be the best respondent to RFP#S37-T22667.

The City and Contractor now desire to amend the Original Contract to add a new scope of services for overdue notices and other attendant services to be provided by Contractor under RFP#S37-T22667.

For and in consideration of the mutual promises, covenants, agreements, and benefits contained in this First Amendment, the City and Contractor agree as follows:

I.

Section III, A, "Scope of Services" of the Original Contract is amended by adding a new Section III, A.1, "Scope of Services - Overdue And Circulation Notices & Recovery/Collection Services" to read as follows:

III, A.1 Scope of Services - Overdue And Circulation Notices & Recovery/Collection Services

In consideration of the payments specified in this Agreement, Contractor shall provide all labor, material, and supervision necessary to perform the services described in Exhibit "A-1" attached to this First Amendment and made a part of the Original Contract for all purposes.

II.

Section IV, A, "Payment Terms" of the Original Contract is amended by adding a new paragraph, IV, A.1, "Payment Terms for Services Provided Under Exhibit A-1" to read as follows:

IV, A.1 Payment Terms For Services Provided Under Exhibit A-1

Subject to all the terms and conditions of this Agreement, City shall pay and Contractor shall accept the fees set out in Exhibit "B-1" for the services provided under Exhibit "A-1." Any and all fees paid to Contractor under this Contract shall solely be paid from funds collected on accounts submitted for collection. No funds are or will be appropriated or allocated for Contractor's performance under the terms of this Agreement. The City's duties to pay money to Contractor for any purpose under this First Amendment are limited in their entirety by the provisions of this Section IV, A.1.

III.

Section V, A, "Contract Term" of the Original Contract is amended by adding a new paragraph

titled "Contract Term Effective Countersignature Date Of First Amendment":

V, A.1 Contract Term Effective Countersignature Date Of First Amendment

This Agreement is effective on the Countersignature Date of the First Amendment and remains in effect for five years unless sooner terminated under this Agreement ("New Initial Term").

IV.

Section V, B "Renewals" of the Original Contract is amended by adding a new paragraph V, B-1, "New Renewal Terms" to read as follows:

V, B.1 New Renewal Terms

Upon expiration of the New Initial Term, this Agreement will be automatically renewed for three successive one-year terms on the same terms and conditions. If the Director or the City chooses not to renew this Agreement, the Director shall notify Contractor of non-renewal at least 30 days before the expiration of the then-current term.

V.

A new Exhibit B-1, titled "Payment Of Fees For Services Provided Under Exhibit A-1" is attached to this First Amendment and made a part of the Original Contract for all purposes.

VI.

In the event of a conflict between the Original Contract and this First Amendment, this First Amendment shall prevail.

VII.

All other terms and conditions of the Original Contract except as amended in this First Amendment, shall continue in full force and effect.

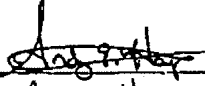
Signatures



The Parties have executed this First Amendment in multiple copies, each of which is an original.

UNIQUE MANAGEMENT SERVICES, INC.

CITY OF HOUSTON, TEXAS

Signed by:

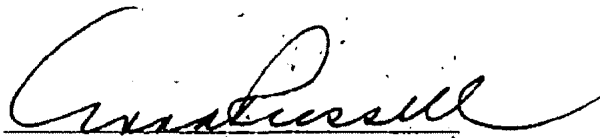
By: 
Name: Andy E. Harp
Title: Director of Customer Service

By: 
Mayor 

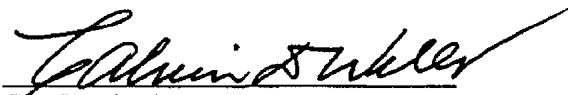
ATTEST/SEAL (if a corporation)
WITNESS (if not a corporation)

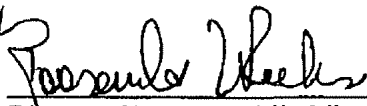
ATTEST/SEAL:

By: _____
Name: _____
Title: _____

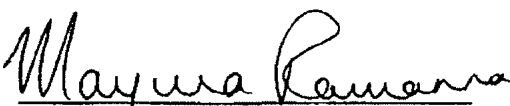

City Secretary

APPROVED:


City Purchasing Agent


Director, Houston Public Library

APPROVED AS TO FORM:


Assistant City Attorney
L.D. File 0410200022002

COUNTERSIGNED BY:


City Controller 

DATE COUNTERSIGNED:

6-20-08

EXHIBIT A-1

SCOPE OF SERVICES - OVERDUE AND CIRCULATION NOTICES & RECOVERY/COLLECTION SERVICES

- 1) Contractor shall make the retention of customer good will and the preference to recover materials borrowed and not returned by library patrons top priorities over collecting fines from them, while providing the services set out in this Exhibit "A-1."
- 2) Contractor shall receive electronic files from the Director containing lists of delinquent library patrons. Contractor shall ensure that the confidentiality of the electronic files of delinquent patrons are maintained by taking security measures such as authorized access, etc.
- 3) Contractor shall process and mail notices on the same day that it receives electronic files of delinquent library patrons, thus sending notices to the printer daily, Monday through Friday, in order to avoid any delays in mailing out the notices.
- 4) Contractor shall provide the Director with a daily report of the number of notices it mails, along with a count of the number of notices it was unable to mail because of inadequate address information.
- 5) Contractor shall take steps to ensure that multiple mailings to a library patron are combined, thus minimizing duplication and costs.
- 6) Contractor shall verify the addresses of library patrons in the delinquent patrons electronic file it receives from HPL with addresses in the National Change of Address (NCOA) database to ensure accuracy of such addresses prior to mailing notices under this Agreement. Periodically, Contractor shall electronically transfer to HPL all addresses that were replaced in the HPL file with addresses found in the NCOA database to enable

HPL to update its database.

- 7) Contractor shall submit to the Director a draft of the overdue and circulation notices to be used under this Agreement. Upon the Director's approval of the draft, Contractor shall use only the text approved by the Director for overdue and circulation notices to be mailed under this Agreement.
- 8) Contractor shall also submit for the Director's approval, sample stock of: the 8.5"x11" paper on which notices will be printed, the layout of the page in terms of where the HPL logo will be placed and the sample stock of envelopes to be used in sending out notices under this Agreement.
- 9) Upon receipt of such files and in consultation with the Director, Contractor shall send the first overdue notices to library patrons who are 14 days delinquent.
- 10) Contractor shall indicate the replacement cost of the items that have been borrowed and not returned in the billing notice it sends to library patrons who are 14 days delinquent.
- 11) Contractor shall also state that HPL has added a \$10.00 processing fee to the library patron's overdue account to help HPL pay for the cost of handling that library patron's overdue account.
- 12) In notices sent to library patrons who are delinquent in returning uncatalogued paperbacks, Contractor shall state that a processing fee of \$5 has been added to pay for the cost of handling that library patron's overdue account.
- 13) Upon receipt of a billing notice file and in consultation with the Director, Contractor shall send overdue billing notices to library patrons whose accounts are 42 days past the date on which materials they had borrowed from the library should have been returned.
- 14) Contractor shall submit to the Director a draft of the notice to be sent once an overdue or

billed item is returned. Contractor shall submit a draft that notifies the library patron who had been sent the initial notice and has subsequently returned the overdue or billed items, that replacement costs are no longer applicable and that no processing fee will be charged to handle that patron's account. Contractor shall also note in the draft that the overdue fine will continue to be levied until the patron has paid the fine.

- 15) Contractor shall follow the following procedure in mailing the first overdue notice:
- i. check address against NCOA database, mail first notice for patrons with accounts that are 14 days notice within 24 hours of receipt of electronic file;
 - ii. 35 days after initial notice, if patron has overdue balance, make a phone call to library patron to encourage the patron to clear the account (Contractor shall ensure that telephone calls are made by well-trained professionals).
 - iii. forward payments received from patrons to HPL and in cases where payment cannot be traced to a particular patron due to insufficient information, confirm payment with patron before forwarding the same to HPL.
- 16) Contractor shall follow the following procedure in mailing secondary notices:
- i. Skip-trace to find patrons who have moved, correct addresses, and confirm corrected address to HPL;
 - ii. Mail letter to corrected address notifying library patron of balance remaining in their account;
 - iii. 64 days after receiving file from HPL, send final notice to patron advising them that the credit bureaus will be reported if they do not clear their account with HPL;
 - iv. Re-send the final notice letter to the new address, in the event the letter was

returned with a new forwarding address;

- v. make telephone calls to patrons who have not cleared their accounts on days 78 to 91, to explain to the patron that this is a courtesy call prior to the scheduled reporting of their delinquent account to the credit bureaus;
- vi. send remaining balance letter to a patron who responds by returning materials or makes a partial payment, thus owing a balance amount that is still overdue;
- vii. Make several telephone calls depending on their willingness to clear the balance in their accounts;
- viii. Report non-responding patrons to credit bureaus, 120 days from the day the first notice was issued to such patrons; and
- ix. Retain the accounts of non-responding patrons for seven years or as required by law, so that their credit reports show the overdue amounts.

- 17) At every stage of the collection process, Contractor shall work with a cooperative patron who returns materials or attempts to pay the balance in their accounts, by providing such patrons with every opportunity to return such materials or make partial payments until the balance in their accounts has been paid in full, before reporting such patrons' accounts to the credit bureaus.

EXHIBIT B-1

PAYMENT OF FEES FOR SERVICES PROVIDED UNDER EXHIBIT A-1

Contractor shall be paid the following fees for notices, collection and recovery services provided as detailed in Exhibit "A-1," "Scope of Services - Overdue And Circulation Notices & Recovery/Collection Services" as set out below:

- | | | |
|----|--|---|
| 1) | Initial and Follow-Up Notices For Each Account | Contingency Fee per Account
of 22.5% of total amount
collected from that account |
| 2) | Overdue and Circulation Notices | \$0.555 per notice sent plus an
additional \$0.05 for each
notice sent through the
NCOA database.* |

* cost of postage subject to price increases by the United States Postal Service